

# ADDITIONAL RESTRICTIONS GRANT GUIDANCE

(ARG)



## ADDITIONAL RESTRICTIONS GRANT GUIDANCE

Government has announced further funding to support businesses that are forced to close or are severely detrimentally impacted by Covid 19 and nationally imposed restrictions put in place to manage coronavirus and save lives.

The Additional Restrictions Grant (ARG) is a discretionary grant which will be administered, by Plymouth City Council within the Unitary Authority area.

The grant will offer a lifeline to businesses which are struggling to survive nationally imposed restrictions and resulting in loss of trade and income due to the Covid 19 crisis.

The funding allocated to Plymouth is £7.570 million, it can be spent at the discretion of the Local Authority from November 2020 through to March 2022. This figure includes an additional allocation that Plymouth City Council received in January 2021 of £2.328 million as the Chancellor announced the 3<sup>rd</sup> national lock down. Plymouth City Council has allocated £1.780m for the period up Dec 2020, leaving a budget of £5.790m. This will be insufficient to help all businesses detrimentally impacted and therefore it is necessary to prioritise.

It has been specifically allocated to respond to businesses suffering during the pandemic. It is the only discretionary funding to support business which are:

- legally required to close under national lockdown, but are not eligible for the LRSG (closed) as they do not pay Business Rates, or
- not legally required to close but have suffered a loss in turnover as a result of the national restrictions

This may take the form of direct grants to businesses or it may support economic recovery or actions which support businesses which have been impacted

### Funding

Funding can flow to business in two ways. It maybe:

- Direct grants to businesses, the proposed grant payments reflect funding received if they, in the LRSG scheme and this will depend on whether they have property/fix costs.
- Funding of wider economic support, at discretion of the Council and the section 151 officer, which specifically helps businesses who have been impacted by Covid.

### Phasing of funding

The total funding available to Plymouth is £7.570m. In order to ensure fairness going forward the grants will be split into 2 tranches. Proposed initial allocation is split between these tranches

- Up to 80% of LA allocation available Jan-Mar 2021
- Up to 20% of LA allocation available Fin. Year 2021/22

It is proposed that 66% (£5.047 million minus the £1.780m already allocated) will be allocated directly to businesses, in line with other grant schemes available at the time. The remaining 34% will be allocated to

supporting wider economic development activity and supporting key institutions who provide economic benefit. Awards to this pot will be at the discretion of a panel led by the Section 151 officer.

This split between tranches and businesses/wider economic development, will be reviewed in March 2021 by the section 151 Officer and the leader of the Council. Any revisions will be incorporated into updated guidance held on our website. We will also communicate any changes in our business newsletter.

### **Eligibility**

This fund is for businesses based in Plymouth and is predominantly aimed at retail, hospitality & leisure businesses or their supply chain and any business which can demonstrate they have been significantly affected by Covid.

We are keen to hear from any business which have not received any other support to date

If businesses can secure funding from other grant schemes, we will redirect them towards those pots. This fund is designed to try and plug the gaps

This funding is not meant to replace lost income, there are other schemes (furlough and self-employment support) this funding is focused on support for helping with fixed costs

To be eligible businesses will need to meet the following criteria:

- The business must have been trading on or before 4<sup>th</sup> Jan 2020.
- Must be a micro or small business with up to 50 employees.
- Businesses should have ongoing fixed monthly business costs in Plymouth, such as mooring fees, rent, rates, wages, insurances, utilities, equipment rental etc
- Have not exceeded state subsidy levels.
- Businesses that are in administration, insolvent or where a striking off order has been made, are not eligible for funding under this scheme
- Can confirm they have been significantly affected by Covid.
- Plymouth home based businesses are eligible but must be registered with HRMC and provide their Company Unique Taxpayer Reference. And a copy of their most recent tax return.
- 

For Plymouth, we will prioritise the following businesses for grants:

- Fishing businesses (with restaurants closed the price of fish has dropped)
- Childcare providers (number of children in childcare reduced due to unemployment or furlough)
- Trade's people and businesses who supply businesses that are required to close (e.g retail and hospitality)
- Creative and event businesses who work from home and their venues are ordered to shut
- Businesses who are located in packaged rent and rates who are required to shut or who supply businesses that are required to close

We do not envisage that this fund will support the following types of business

- Any premises where the Council consider that a Bed and Breakfast business is "home sharing" and advertised solely online through "home sharing" websites will not be eligible for this fund.
- Storage containers, which are only used for storage are not eligible. Where a storage container is used to run a business (e.g. a café run out of a shipping container), that would be eligible.
- Buy to let properties
- SBRR premises for which are only used for personal use e.g. riding stables

Only one Discretionary Business Grant will be awarded to any business per lockdown, however if businesses operate from multiple Plymouth premises they may be eligible for additional payments at the discretion of the I51 officer.

### How much grant will be payable?

Total payment per 42 days of National Lockdown is set out below.

Eligibility	Amount per 42 days
Affected or Closed Non-Ratepayer (e.g. home worker)	£3,000
Affected Ratepayer - RV 0 - 15k	£4,200
Affected Ratepayer - RV 15 - 51k	£6,300
Affected Ratepayer - RV 51k+	£9,400

### How will grants be administered?

The Council has to gather data to administer these funds, information supplied will be kept confidential. Data will be retained so that we can undertake regular reporting to Government. The process to administer this grant include:

- An online application form - we will have a separate ARG application process, we have designed this to be as simple as possible, in line with the governments reporting requirements
- Businesses may have to provide an up to date bank statement (for the account used by the business – must contain name of account, SC and ACC no for verification purposes) This is to reduce fraud
- Spotlight and NFI checks must be undertaken before payment is released.
- All applications for under £10,000 will be verified by PCC officer team. Grants over £10,000 will be verified by the Section 151 officer and a separate application form must be used to assess value for money, which will include number of businesses assisted. It is envisaged organisation such Business Improvement Districts would be beneficiaries

### When will business be paid?

- Evidence of need required, therefore retrospective payments only
- Scheme open 1 February, payments end of the following week and onwards

### Exceptional awards

Exceptional awards may be made in individual cases, by certification of the S151 Officer.

These may include additional discretionary support to extend funding provided to businesses under the LRSG (closed) grant scheme. The Council may also look to support businesses through activities such as supporting key organisations which have a wider economic multiplier effect (e.g support to Business Improvement Districts to fill empty shops).

It is anticipate that the budget for supporting key organisations/ businesses in the city will be capped at 750K up to March 31<sup>st</sup> 2021. In order to qualify for an extra ordinary award you must meet the following criteria

1. Be a business that has a reach and impact which extends beyond its own activity (e.g. Business Improvement Districts)

2. Can demonstrate a drop income – guide 30% drop in income
3. Have fixed costs

In order to qualify for this fund you will need to have a discussion with Economic development team

### Wider Business Support

This is activity which provides business support and aids recovery, we are proposing that £750K is allocated and commissioned by March 31<sup>st</sup> 2021. This activity will be delivered by PCC, in line with ARG guidance it will not be used to displace PCC funding, fund exiting roles or compensate for loss of income from falling revenue, it will be focused on activities which provide direct support to business and each of these projects will be required to provide returns detailing the businesses they have helped. The proposed budget is set out below

Project	Deliverable	Amount
Recovery plan (Resurgum) co-ordination	PCC delivery dedicated post	100K
Start Up support	workshops and one to one advice - to be commissioned	150K
Mentoring into start up	match for ERDF YKTO project (extension of already commissioned work)	25k
Social Enterprise support	match for ERDF, DCC delivery, extension of already commissioned work	15k
Sector support fishing co-ordination	Marketing and call for fish 50K, technical consultancy 15K	75k
Events	Sail GP, helping businesses maximise the opportunity (£50k) Youth engagement/STEM Sail GP (20k)	70k
Market intelligence/productivity	CRM for business support	50k
Reopening the high street	'geddon plymouth' marketing campaign summer 2021	100k
refit the TIC	Support to tourism sector	75k
Devon Chamber	Careers fairs targeting school leavers	25k

Where possible we intend to deliver business support (start up support, mentoring, and social enterprise) across LA boundaries to maximise the impact of delivery drive efficiencies and ensure co-ordination.

### Review of decisions

The Council will operate an internal review process only. The grant application process will remain open until all funds are committed or the 31<sup>st</sup> March 2021. We reserve the right to close the scheme at short/no notice – potential applicants should apply without delay.

Unsuccessful applicants will be advised of the outcome of an application by email. There is no right to appeal a decision